



Achieving Better Results While Building Stronger Relationships

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In their groundbreaking book on negotiations, "Getting to Yes," authors Roger Fisher and Bill Ury indicated that negotiators should strive to maximize results while building relationships. It is not surprising that many negotiation training participants initially question whether or not this is achievable. After all, "How can the other side be happy if I get the results I want?"

In a 2008 article in *CPO Agenda*, John Henke, President of Planning Perspectives, presented research data which shows "that it is possible for a buyer to have trusting supplier relations while pressuring the same suppliers for cost reductions."

How? Henke looked in detail at the buyer and seller relationships where the buyers were exerting price reduction pressure and positively correlated a number of day-to-day activities with better working relationships. Bottom line, buyers who dealt with suppliers as follows were able to exert price reduction pressure and have better working relationships than buyers who did not:

- Open, honest and timely communications.
- Honoring commitments.
- Treat suppliers as valued.
- Reward high performing suppliers.
- Shared savings.
- Concern for the suppliers' bottom line.
- Involving suppliers in the product development process.

Henke was looking at how buyers treat suppliers. However, most of the items listed above can also apply to how suppliers treat their customers; just re-read the list above substituting customer(s) for supplier(s).

In our hypercompetitive environment we will always be faced with conflicting objectives and interests in our buy/sell relationships. And as the focal point between the companies, the front-line buyers and salespeople have a major, if not THE major, impact on the working relationship between the companies, as evidenced by the positive impact they can have using the items listed above. So, if they want to improve working relationships, what should they do?

1. I believe that it is best to try and make improvements when there is not a pending negotiation or issue.
2. If they have been acting in a way that is counter to the items listed above, recognize it with the other party and indicate a desire to start anew.
3. Ask the other party if they want to come along. It is only natural if they seem skeptical at first -- after all, you have a history.

Works Cited

Fisher, Roger and Ury, William. *Getting to YES Negotiating Agreement Without Giving In*. 375 Hudson Street, New York: The Penguin Group Penguin Books USA Inc, 1991. Print.

Henke, John. "The Customer's Dilemma." *CPO Agenda* Autumn 2008: 42-47. Print.